

DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

NOTICE OF VIOLATION

IN THE MATTER OF THE NOTICE OF)
VIOLATION ISSUED TO)

Lost Creek ISR, LLC)
5880 Enterprise Drive, #200)
Casper, WY 82609)
RE: Drilling Notification 334DN)


DOCKET NO. 4697-10

NOTICE

NOTICE IS HEREBY GIVEN THAT:

1. Notice of Violation is being sent to you pursuant to W.S. §35-11-701(c)(i) which requires that a written notice shall be issued in the case of failure to correct or remedy an alleged violation.
2. On June 7, 2010 an inspection of the Lost Creek Property exploration project, being done under Drilling Notification 334DN, was conducted by Wyoming Department of Environmental Quality personnel. That inspection was summarized in a report dated June 15, 2010. The Lost Creek Property is located in Sections 16 - 20 and Section 24 in T.25N, R.92W, 6th P.M., in northeastern Sweetwater County, Wyoming.
3. The Land Quality Division (LQD) Noncoal Rules and Regulations (NCRR) Chapter 8, Section 2 (b) (i) states "Excess drilling mud and drill cuttings or any acid-forming or toxic materials uncovered during or created by exploration by drilling shall be properly disposed of so as not to constitute a fire, health, or safety hazard during or after the exploration by drilling." The June 7, 2010 inspection revealed an open mud pit at drill hole site LC733. Failure to cover or fence the mud pit to ensure public and wildlife safety is a violation.
4. The LQD NCRR Chapter 8, Section 2 (b) (iii) requires topsoil removal prior to disturbance and topsoil protection. The June 7, 2010 inspection revealed a failure to protect topsoil. Specifically, topsoil and subsoil were inadequately separated, topsoil had been contaminated by subsoil and drilling mud, and topsoil had not been stripped from high use areas. Failure to separate and protect topsoil is a violation.
5. W.S. § 35-11-901(a) provides that any person who violates any provision of the Environmental Quality Act or any rule, standard, permit, license or variance adopted there under is liable to a penalty of ten thousand dollars (\$10,000.00) for each day of violation, which penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming.

DATED THIS 19th day of July, 2010.


Donald R. McKenzie
Administrator
Land Quality Division


John V. Corra
Director
Department of Environmental Quality

PLEASE DIRECT ALL INQUIRIES regarding this Notice of Violation to Mark Moxley, Land Quality District 2 Supervisor, 510 Meadowview Dr., Lander, WY 82520, phone (307) 332-3047.